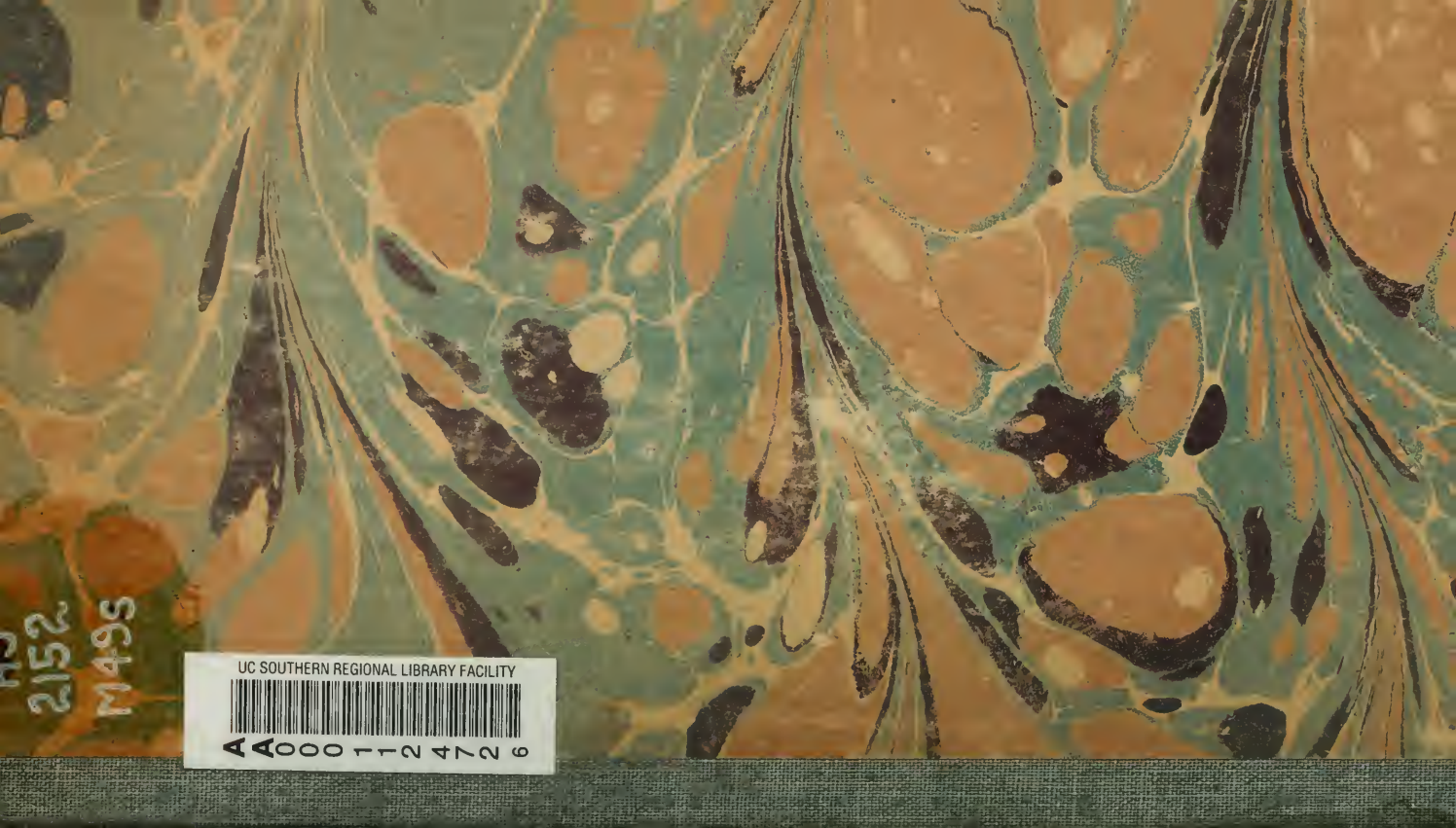
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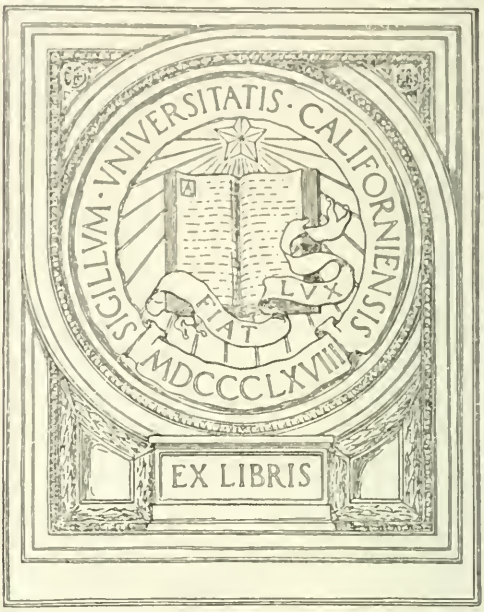

THE

SUBSTANCE

OF THE

SPEECH

OF THE

RIGHT HON. HENRY DUNDAS,

IN THE

HOUSE OF COMMONS,

TUESDAY, JUNE 16, 1795,

ON OPENING THE

EAST INDIA BUDGET.

LONDON:

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1795.

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THE

SUBSTANCE

OF A

SPEECH, &c.

HOUSE OF COMMONS.

TUESDAY, JUNE 16, 1795.

THE order of the day being read for the House to resolve itself into a committee of the whole House, to consider of the papers relative to the affairs of India, the House accordingly resolved itself into the said committee, Mr. Joddrel in the chair,

Mr. Secretary Dundas rose and said, that although the accounts, on which the attention of the House was that night to be engaged, were pretty numerous, and of a nature at once impor-

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tant and extenſive, he hoped to be able to explain them fully, without treſpaſſing very long on the indulgence of the Houſe, for the matters contained in them, though various, were entirely free from perplexity. Gentlemen had already, he ſuppoſed, inſpected the ſeveral articles contained in the accounts, it would, therefore, be unneceſſary for him to trouble them with preliminary matter; he would, therefore, without farther preface, proceed to that explanation which the nature of his duty demanded from him, firſt, of each particular part, and finally, of the whole taken together.

The firſt branch of this explanation was to be directed to the ſituation of the revenues in India, with the deduction of the various charges as the foundation of the capital of the Company for carrying on their trade: and the next, to the ſituation of the Company at home, as ariſing out of, and connected with, thoſe revenues. From both thoſe he was to draw a general reſult, and ſhew to the Houſe how far the circumſtances of the Company were better or worſe than when he had laſt the honour of laying the affairs of India before them. In doing this, Bengal naturally preſented itſelf firſt; and here he would remark, that the accounts had been made up with ſuch a degree of accuracy, that he ſhould not have occaſion to enter into a minute detail of the articles which compoſed them, unleſs ſome perſon ſhould call upon him to ſolve ſome doubts reſpecting them.

The Houſe would recollect, that in forming his eſtimates of the probable produce of the revenues, charges, &c. of the Company, he had always adopted the mode of ſtating an average of the laſt three years, and alſo the eſtimate and actual accounts for the laſt year, and the eſtimate for the future. According to this mode, the accounts were

made up, turning the country currency into pounds ſterling; agreeable to its reſpective valuation at the different ſettlements.

BENGAL, Current Rupees at 2s.

REVENUES.

	£.
No. I. Average Revenues of 3 years, 1791-2 to 1793-4 -	5,425,317
No. II. Eſtimated amount of Revenues for 1793-4, -	5,432,768
The actual amount in that year - -	5,871,946
Revenues more than eſtimated	439,178

CHARGES.

No. III. The Charges for 1793-4 were eſtimated at - -	3,238,346
Actual amount -	3,331,978
Charges more than eſtimated	93,632
Actual account better than eſtimate	345,546
The actual nett Revenue for 1793-4 was	2,539,968

ESTIMATES, 1794-5.

No. I. Revenues are eſtimated to amount to - -	5,580,606
No. II. And Charges to -	3,278,634
Eſtimated Nett Revenues	2,301,972

The

The excefs of the revenue above the eſtimate aroſe, firſt, out of the land revenue, partly from the paying up of arrears, and partly from an annual increaſe; ſecondly, from an increaſe of the revenue upon ſalt, above the eſtimate, a clear proof, as it did not appear that the price was raiſed, that the conſumption, and conſequently the population of the country, were increaſed.

The excefs of the charges above the eſtimate aroſe from an additional donation to the army, amounting to 46,729l. more than the ſum ſettled by the Marquis Cornwallis, and an increaſe of charges upon ſalt and opium to the amount of 77,156l.—Deducting the excefs of charges from the excefs of revenue, the actual account was better than the eſtimate by 345,546l.

He ſaw no reaſon to think that the revenue for 1794-5 would be leſs productive than for the year preceding; but it had always been his wiſh to take the eſtimate ſo low as to leave no chance of the actual amount falling ſhort of it. Such were the directions which had long ſince been given to the Company's ſervants in India; and upon this principle it was, not upon any ground of diſtruſt, that the eſtimate was taken lower than the actual produce of 1793-4. In the account No. II. the Committee would ſee an article for the charges of the Dewanny and Nizamut, City and Zilla Adawluts, of the Police eſtabliſhments, and Courts of Appeal. Theſe charges appeared for the firſt time in the accounts, becauſe, as it had been thought proper for the protection and convenience of the natives, to ſeparate the provincial juriſdictions from the collection of the revenue, it had alſo been thought proper to ſeparate the charges, and the change took place in 1793.

MADRAS.—Pagoda at 8s.

		£.
No. VI.	The Revenues for 1793-4 were eſtimated at -	2,232,077
	Actual amount -	2,110,089
	Leſs than Eſtimate	121,988
	The Charges were eſtimated at - -	1,701,298
	And amounted to	1,999.376
	More than eſtimated	298,078
	Actual Account worſe than the eſtimate -	420,066

ESTIMATES, 1794-5.

No. IV.	The Revenues are eſtimated to amount to -	1,855,317
No. V.	And the Charges to -	1,782,247
	Eſtimated Nett Revenue	73,070

He could not give an average of three years from Madras, for ſeveral reaſons. During the war the Rajah of Travancore paid a ſubſidy to this Preſidency; a new arrangement had been made with the Nabob of Arcot and Rajah of Tanjore, which required time to be carried into effect, as did alſo the regulations for ſettling and collecting the revenues of the countries ceded by Tippoo.

The cauſes of the deficiency in the actual amount of the revenue were, that the Nabob of Arcot had paid the year before a lack of rupees before it was due, and had not made a ſimilar advance in payment

ment the next.—In the treaty with the Nabob, the Company agreed to take, as part of his ſubſidy, the tribute payable to him by the Southern Polygars, becauſe, he calling for the tribute as his neceſſities urged him, and they refuſing to pay, the Company, as holding the ſword, were frequently called upon to interfere, and therefore it was thought more adviſeable to take the collection of the tribute at once into their own hands: this tribute was not yet regularly paid, although there was no doubt that it would, when the Polygars found by experience, that they were only to be called upon regularly, not according to our neceſſities, but according to our eſtabliſhed rights; the Northern Circars had alſo ſuffered by famine a few years ago, from which they were not yet recovered, and ſome diſturbances had alſo taken place in ſome of them:—theſe different circumſtances occaſioned a defalcation of revenue.

The exceſs of charges was accounted for by an additional donation to the army ſerving in the war againſt Myſore, amounting to 146,550l. and the expenſes attending the capture of Pondicherry, 173,042l. theſe two articles were more than the exceſs above the eſtimate, the charges having been leſs in ſome other articles.

By the eſtimate for 1794-5, the revenue exceeded the charges by 73,070l. He was far from ſaying, that Madras did not hold out a more flattering proſpect; but even this was ſufficient to juſtify all the calculations he had ever offered to the Houſe reſpecting it, which never went farther than to ſay, that it would be able to pay its own current expenſes. He now hoped that it would ſoon be able to do much more.

BOMBAY—Rupees at 2s. 3d.

	£.
No. XI. The Revenues for 1793-4, were eſtimated at - - -	277,898
And amounted to - -	312,364
More than eſtimated -	34,466
The Charges were eſtimated at	696,139
And amounted to - -	783,791
More than eſtimated -	87,652
Actual Account therefore worſe than the Eſtimate -	53,186
No. VII. The Revenues in 1794-5, are eſtimated at - - -	354,883
No. VIII. And the Charges at - - -	757,551
Eſtimated Charges more than the Revenues - - - - -	402,668

From Bombay an average of three years could not be obtained, becauſe great part of the revenue aroſe from territory ceded by Tippoo Sultan at the cloſe of the late war. The exceſs of charges aroſe from the increaſe of marine eſtabliſhment occaſioned by the war; from a donation to the army, and from the expenſes occaſioned in the paſt year by the neceſſity of employing natives in addition to the Company's ſervants, for aſcertaining and collecting the revenues of the ceded countries. This in the firſt inſtance was a meaſure of policy, as well as of neceſſity; the benefits of which would remain when the expenſe had ceaſed.

BENCOOLEN AND ISLANDS.

	£.
Revenue on an average of 3 years, at Fort Marlboro' - -	4,840
Supplies from Bengal to ditto, Pinang, St. Helena, &c. eſtimated for 1793-4	77,000
No. XVIII. Actual amount	66,358
No. XI. Eſtimated to be ſupplied in 1794-5 -	104,632

The eſtimate of ſupplies to theſe ſettlements in 1794-5, was conſiderably above both the eſtimated, and the actual amount for the year before, for which he could aſſign no reaſon, as it had been tranſmitted to him without any explanation.

GENERAL STATE OF REVENUES AND CHARGES IN INDIA.

	£.	
Total of the Revenues of Bengal, Madras, and Bombay, 1793-4, as above ſtated - -	8,294,399	
Charges of ditto, (including 66,358l. ſupplies to Bencoolen, &c.) -	6,181,504	
Revenues more than charges -	2,112,895	
Intereſt on debts paid from this ſum	458,043	✓
Surplus Revenues - -	1,654,852	
Add---Import, Sales, and Certificates -	475,994	
Amount applicable to the proviſion of inveſtments, payment of commercial charges, &c. (excluſive of 20,000l. gained by iſſuing notes) -	2,130,846	✓

By

	£.	£.
By No. XVIII. applied at Bengal, in the year	1,402,038	
By No. XIX. applied at Madras, in the year	404,648	
By No. XX. applied at Bombay, in the year	328,348	
By No. XXII. ſhipped from Bencoolen in the year - -	12,618	
		2,147,652
Amount applicable to inveſtments, &c. as above ſtated - -		2,130,846
In the eſtimate made in February, 1793, the ſum ſtated was - -		1,513,577
More in 1793-4 than in that eſtimate		617,269

By the above account it appeared that more had been applied to the Inveſtments, &c. than the Surplus Revenues and the amount of Sales and Certificates. This was accounted for by the Profit and Loſs Account upon internal trade, and the profit upon the iſſuing of promiſſory notes.

It might be ſaid that he had rated the Surplus too high, ſince it was ſwelled by the payment of 401,826l. from Tippoo Sultan. This he admitted was an extraordinary article of income; but on the other ſide of the account were included extraordinary articles of expenditure, as the additional donations to the army, and expenſes occaſioned by the preſent war, to the amount of 500,000l.

ESTIMATES for 1794-5.

	£.
Total Revenues of Bengal, Madras, and Bombay, eſtimated 1794-5	7,790,807
Total Charges, ditto, (including 104,632l. ſupplies to Bencoolen, &c.) -	5,923,063
	1,867,744
Deduct Intereſt on Debts, per N. XVI.	437,047
Eſtimated Surplus Revenue	1,430,697
Add — No. XV. Eſtimated Sales of Imports, and amount of Certificates	380,669
Amount eſtimated to be applicable to Inveſtments, Payment of Commercial Charges, &c. &c. - -	1,811,366

In theſe Eſtimates every article of income except the Police Tax, was taken under the actual produce for laſt year, to an amount altogether of near 300,000l. ſo that there was no ground to fear a defalcation;—theſe eſtimates however, he obſerved, conſiderably exceeded thoſe on which his calculations were founded in 1793.

DEBTS in INDIA—Current Rupees at 2s.

	£.
Amount owing by the Company ſtated to the Houſe laſt year - -	7,857,405
Amount by the lateſt advices (No. XVI.)	7,305,462
Decreaſe -	551,943

Debt

	C. Rs.	£.
Debt transferred in the year (No. XVII.) -	98,59,035	
Of which allowed in the accounts of laſt year by No. XVI. of that date - - -	31,36,646	
Remains C. Rs.	67,22,389	672,239
Debts bearing intereſt laſt year amounted to - - -		6,322,328
Amount bearing intereſt at preſent, per No. XVI. - - -		5,597,299
Decreaſe of Debt bearing Intereſt		725,029
Amount of Intereſt payable by laſt year's accounts - - -		517,825
Amount of Intereſt payable by No. XVI. - - - -		437,047
Leſs to be paid for Intereſt on the Debts per ann. - - -		80,778

Although the total reduction of debt was only 551,943l. the reduction of debt bearing intereſt was 725,029l. It was for the advantage of the Company to reduce the debt bearing intereſt as much as poſſible, although the amount of debt not bearing intereſt ſhould be increaſed as much as poſſible without injuring their credit.

ASSETS in INDIA.—C. Rs. at 2s.

	£.
Caſh, Goods, Debts, &c. at the ſeveral ſettlements, ſtated in laſt year's account at - - - -	8,733,796
Per No. XXI. of the preſent ſtatements	8,807,600
Increaſe -	73,804
Adding this to the decreaſe of debts, the Company's affairs appear better in theſe reſpects by - - - -	625,747

HOME ACCOUNTS.

Mr. Dundas obſerved, that in 1793 he had ſtated the average of the three largeſt annual ſales of the Eaſt India Company's goods, viz. from 1790 to 1793, the amount of which was	5,103,094
In the laſt year the ſales had exceeded the largeſt of thoſe years ſales, and amounted to 418,764l. more than that average, the total ſale in 1794* having been - -	5,521,858
The eſtimate for that year was	5,364,358
The actual amount, therefore, exceeded the eſtimate -	157,500

* Goods ſold in private trade this year amounted to 1,053,462l.
So that total India goods ſold in the year was 6,575,320l.

Amount

	£.
Amount received for goods ſold in this year was, per No. XXIII. -	5,392,966
Being leſs than eſtimated	55,892
Charges and profit on private trade, eſtimated - -	70,000
Actual amount, per No. XXIII.	62,459
Leſs than eſtimated - -	7,541
In the eſtimate of February, 1793, the amount of ſales, profit on private trade, and intereſt on annuities, after paying annuitants, was - -	5,094,527
Actual amount laſt year - - -	5,620,544
More than in that eſtimate -	526,017
Charges in that eſtimate—Dividends at 8 per Cent. - - -	3,889,100
Paid laſt year—Dividends at 10½ per Cent. - - -	4,467,787
Charges more than in that eſtimate	578,687
The difference therefore is only -	52,670

But 416,996l. being paid for tea, and 933,095l. of India transferred Debt diſcharged and 149,650l. of Bonds paid off, all formed the ſurplus.

The amount eſtimated to be received in the preſent year for goods ſold is per No. XXIII. - - -	5,549,500
And profit on private trade - -	60,000

The charges are eſtimated nearly equal to the receipts and caſh in hand, and no ſurplus expected adequate to the payment of India debt.

India

India Debt paid off in the laſt two years, viz.	£.	£.
in 1793 -	1,008,637	
1794 - -	933,095	
		1,941,732

More by 941,732l. than directed by the act of 1793. In the preſent year 490,647l. is eſtimated to be diſcharged. A more diſtinct view of the Home Accounts would appear from the following ſtatement :

DEBTS AT HOME.

The Debts, including the Debt tranſferred from India, amounted	£.
In March, 1794, to	7,006,500
In March, 1795, to	6,946,323
Leſs in March laſt	60,177

ASSETS.

	£.
Aſſets at home and afloat 1ſt of March laſt, ſtated in No. XXIII. at -	10,413,354
Similar Articles valued laſt year, at	9,888,836
More in March laſt	524,518
Adding decreaſe of Debts to increaſe of Aſſets, the Company's affairs appear better at home by - -	584,695

CHINA

China and St. Helena.	£
The Balance at China and St. Helena, was in laſt year's Accounts, in favour of the Company - -	1,080,881
By the laſt accounts ſtated in the ſecond No. I. - - -	979,158
Balance leſs at preſent	101,723

General Result of the Comparison of the last and present Year's Accounts.

Debts leſs, and Aſſets more, in India	625,747
Do. Do. at Home	584,695
	1,210,442
Balance leſs in China and St. Helena	101,723
	1,108,719
Add for the Balance of Bills drawn and cargoes ſhipped from India, after cloſing the accounts there, compared with the laſt year's Statements	303,530
The Company's Affairs better with reſpect to Debts and Aſſets	1,412,249
This ſum, taken from comparing the Stock per Computation No. I. with the Account No. XXIV. laid before the Houſe laſt year—	
The Balance in favour per No. I. is	5,493,774
In laſt year's Account the amount was	4,081,525
The Company's Affairs better in March, 1795 - -	1,412,249

The ſales had produced more than the average of the three moſt productive years ever known, and

were greater than the largeſt of thoſe years. On the whole of the Company's receipts and payments for the laſt year, the reſult was, that the actual account was better than the eſtimate by 203,405l. the balance eſtimated to remain in March laſt, having been 230,926l. and the actual amount being 434,331l. beſides which, it was eſtimated that 200,000l. would be borrowed on mortgage of the annuities, but in fact, only 100,000l. was borrowed although the balance was ſo much larger.

If ſuch was the ſtate of their affairs at home, it might be aſked, why they had not been called upon to pay the 500,000l. due, or ſuppoſed to be due, to the public? Without giving any opinion upon the right to call for payment, he would anſwer, that it would have been imprudent. The debt to be tranſferred annually from India was calculated in 1793, at 500,000l. per annum, but before the inſtructions reſtricting it to that ſum could reach India, bills to a far greater amount had been ſent over, of which 933,095l. fell due in the laſt year. In the laſt year alſo they had expended 416,996l, for the purchaſe of teas on the continent. All the eſtimates of freight, &c. were made upon a peace eſtabliſhment, and now they muſt be paid upon a war eſtabliſhment. They were eſtimated in 1793 at 690,670l. and in the laſt year upwards of 800,000l. was paid; yet this was not all that ought to have been paid, for three of the Company's ſhips were very wiſely detained in India, and converted into cruizers for the protection of the country trade. The arrear of freight, &c. due upon theſe ſhips, would fall to be paid this year, which, with the other charges of the ſame deſcription, is eſtimated to amount to 1,606,649l. A large ſum was alſo expected to become due in this year for bills of exchange, and on the whole, after paying the amount of India debt ſtated in the eſtimate, there would be a deficiency in

their

their cash account of 371,838l., on the first of March 1796. Under such circumstances would it be advisable to press them for the 500,000l. to the public? They were allowed to increase their bonded debt from two millions to three, which they had not had occasion to do, and consequently had a credit of a million, if they should want it next year. Why not it would be asked, make use of this credit to pay the public? In case of exigency on the part of the public, they might have been called upon, as this credit was given them to pay the extra debt transferred from India, and if they had so applied it, there would have been a surplus in their treasury for the public; but in time of war it would be unwise to have the Company's treasury less full in point of cash, than they were even with this credit. Besides, they must either have issued the bonds at a discount, or raised the interest nearly as high as the interest produced by their stock, which would have brought upon them all their out-standing bonds bearing four per cent. interest. Again, it might be asked, why they did not rather apply their surplus revenue in India, to paying off their India Debt, rather than invest it in trade, upon which they had to pay 900,000l. additional freight? In the bill for the renewal of their Charter, the principle adopted throughout was to make London as much as possible the emporium of all the trade from India. It was with this view, too, that he would allow Indian shipping to transport goods to Europe, without which provisions the whole private trade and private fortune of the Company's Servants would become a capital to the Danes and Swedes to carry on the India trade, and undersell us in foreign markets. Therefore, though in a commercial point, contracting their trade for the present, and applying the money

to the payment of their debts, might be attended with a ſaving to the Company, ſtill he would maintain it to be bad policy to do ſo; for if the trade was diminiſhed, the ſhipping muſt of courſe be diminiſhed alſo, which, as thoſe ſhips were of a kind applicable only to that particular purpoſe, would materially injure the capitals of men laid out in that trade; beſides, it would, only for the ſake of a temporary gain, encourage other nations to take up the trade.

As author of the propoſitions in 1793, when the new charter was granted, he thought it incumbent on him to take care that the public ſhould know whether in the eſtimates and calculations on which he grounded thoſe propoſitions, he had taken an exaggerated view of the revenues of India, or of the appropriations of them; it was for that reaſon he had been ſo very particular in making the foregoing ſtatements to the Houſe, by which it appeared, that as in the revenues, ſo in the ſales at home, his eſtimates had been greatly exceeded, though the Company laboured under great diſadvantages by detention of ſhips, and though the want of coaſt goods obliged them to narrow their ſales---had it not been for thoſe diſadvantages, the exceſs would have amounted, no doubt, to an enormous ſum.

He declared he did not know a ſingle circumſtance that could lead him to doubt the increaſing proſperity of the affairs of Great Britain in India. In Bengal they had the moſt clear proof of increaſing population, in the increaſe of the ſale of ſalt; beſides the land revenues were increaſed and increaſing: thoſe who, preſſed by the uncertain tenures under which they formerly held the lands, or were moſt backward in payment, having (encouraged as they are now by permanent tenures) become not only punctual in payment of the running rent, but diligent

diligent in payment of their arrears; and when they ſee that they live under equal laws---that all are alike protected---that agriculture is receiving encouragement, the ſubjects of *that* country could not fail to find a deep intereſt in the proſperity of *this*. The ſame might be ſaid of Madras. Taking the the Southern Polygars from the Nabob, into our own hands, could not but have the happieſt effects; for they, ſeeing they were treated with juſtice and gentleneſs, and dealt by with an equal hand---ſeeing that we made demands on them, not as ſuited our neceſſities, but as was conformable to right, would punctually pay their rents, and alter the face of things in that part for the better. This, he ſaid, had already daily appeared.---Beſides, a large part of Madras (the Northern Circars) was never brought to that perfection to which it was entitled. This was a ſubject on which he could not now enter---perhaps when it came to be conſidered, the example of Bengal might be thought eligible to be followed. As there was no ſuch receipt for increaſing population and proſperity as ſecurity, Madras would perhaps increaſe as rapidly as Bengal, when the ſame ſentiment of ſecurity pervaded the opinions of the people. All innovations, even thoſe that are moſt good, muſt be wrought progreſſively --Men muſt be led, not drove, even to that which promotes their own benefit. With due encouragement, and regulations founded on juſtice and ſound principle, he had little doubt of an inveſtment coming from Madras as well as Bengal. At all events, he ſaw no reaſon to fear any defalcation of the revenues below the expenſes.

The ſame principle of reaſoning applied ſtill ſtronger to Bombay, the revenues of which aroſe from the countries ceded by Tippoo Sultan---As yet they had turned out 120,000l. leſs than the value at which

which they were handed over to Lord Cornwallis: by better government, and repairing the ravages of war, they will become better.

If he looked to India, he ſaw no circumſtance that did not lead to confidence in the increaſing proſperity of the country. The increaſed conſumption of ſalt in Bengal was a clear proof of increaſed population. Since the benefits of a regular and fixed mode of collecting the revenues were felt, perſons were not only paying their aſſeſſment punctually, but paying up their old arrears. When a ſyſtem of law and juſtice was eſtabliſhed, which afforded equal protection to the rich and to the poor; when the tenure by which men held their property was rendered permanent inſtead of precarious; when the natives began to feel that they had a deep intereſt in the ſtability of the Britiſh government, there was every reaſon to believe that the wealth, population, and proſperity of the country would keep progreſſively and rapidly advancing. The ſame hopes might be entertained of Madras. Taking the collection of the tribute which the Southern Polygars were bound to pay into the hands of the company, was a wiſe meaſure. They would ſoon learn that our demands were regulated by our rights, not by our neceſſities, and the difficulties in obtaining payment would ceaſe. The Northern Circars were not ſo much improved as they were capable of being, or as they deſerved to be. The firſt ſtep towards improvement was to give ſecurity with reſpect to perſons and property, and this perhaps could not be effected ſo well as by gradually introducing the ſyſtem which had been introduced into Bengal. Then would the preſidency of Madras not only pay its own expenſes, but in the courſe of ten years furniſh a ſurplus for an inveſtment, without drawing upon the treaſury of Bengal. On this, how-

however, he begged to be underſtood as founding no eſtimate; he merely mentioned it as one of many reaſons for being perſuaded there was no danger of defalcation. The ſame might be ſaid of Bombay, where a large territory on the Malabar coaſt had been ceded to us by Tippoo Sultan. The revenues, it was true, had fallen 120,000l. ſhort of the ſum at which they were given in by Tippoo; but in the courſe of three years they had been regularly increaſing, as might naturally be expected under a better government. Hitherto the increaſe had been extraordinary—The firſt year, the amount was three lacks, the next, eleven, and the third ſeventeen; and there was no reaſon to doubt that they would have a vaſt progreſſive increaſe. He did not ſay this with a view of raiſing any too ſanguine hopes, but to ſhew that the event was adequate to all he had foretold.

While ſuch were the ſituation and proſpects of the Company in India, there was ſurely nothing diſcouraging in the ſtate of their affairs at home. In time of war, and when the markets of a great part of Europe were ſhut againſt them, their ſales were greater than they had ever been before. Could it be apprehended they would be leſs on the return of peace, when all the markets of Europe would be open, and all the private trade from India brought home in the Company's ſhips? He was far from putting the India trade upon the footing of an excluſive monopoly; he ſhould have no objection to open the trade of India to every nation of the world that choſe to trade thither on the produce of its own induſtry, or its own wealth. We were ſovereigns in India as well as merchants, and it was our duty to act not merely in the narrow views of a commercial monopoly, but to advance the proſperity of the people over whom we were ſovereigns. But while

we

we were guided by this liberal ſpirit of policy, we ought not at the ſame time to allow other nations to trade to India on the capital of Britiſh ſubjects, or on the revenues of India, while thoſe revenues were our's.

One circumſtance he muſt mention was, that in the courſe of laſt year, the Company had paid 60,000l. as bounties to ſeamen.

Having laid before the Houſe the amount of the Indian revenues and charges abroad, and the amounts of the ſales, private trade, and general receipts at home, Mr. Dundas offered ſome explanatory obſervations, of which the following is the ſubſtance.

He remarked, that the eſtimate upon which the arrangement of 1793 was founded had been greatly exceeded, by the actual produce of every year, ſince that period; ſo far, therefore, as this was applicable to Bengal, the fact had fully correſponded with the eſtimate; for in that preſidency, not only ſecurity had been given to property, but a fixed mode of collecting the revenues had been tried. The benefit of a fixed aſſeſſment, and a regular mode of collection, had produced a conviction, in the natives, of ſecurity of their property; the circumſtance which alone can render it valuable to them, or an object of their deſire. The ſyſtem of law, and the adminiſtration of juſtice, which had been eſtabliſhed, had alſo produced, in the rich and in the poor of the natives, a deep intereſt in the ſtability of the Britiſh power in India, of which the increaſed conſumption of ſalt, in Bengal, might be held as a criterion of progreſſive proſperity. An increaſe of population, he added, always reſults from an increaſe of the means of ſubſiſtence.

He next ſtated, that though the ſame meaſures had not been carried into effect, at Madras, the

meaſures which have been taken, for that purpoſe, promiſed the like benefits, as ſoon as they could be fully carried into effect. The collecting of the tributes, from the Southern Polygars, not through the Nabob, but immediately by the Company, he truſted would ſoon afford us the means of convincing them that our demands were to be regulated by our rights, not by our neceſſities.

The difficulties, therefore, which formerly had obſtructed their regular payments, were now rapidly diſappearing.

It was true, the revenues from the Northern Circars had by no means been improved in the degree of which they were ſuſceptible; but he was perſuaded that this important end could be obtained by no means ſo effectually as by gradually introducing the ſame, or a ſimilar ſyſtem, (allowing for the differences of the ſettlements) which had been tried in Bengal. The effect would be to give ſecurity to property, and to Proprietors, and, in all probability, to enable the Preſidency of Madras, not only to defray its own expenſes, but from its ſurplus to provide for its inveſtment, without the aid of the Treaſury of Bengal; a circumſtance, however, which he mentioned, not to be reaſoned from as an eſtimate, but as a ſtrong preſumptive argument, that the affairs of the Company were in a ſtate of progreſſive improvement.

Mr. Dundas then obſerved, that the ſame reaſoning applied to the Preſidency of Bombay, who had the adminiſtration of the poſſeſſions ceded to us by Tippoo Sultan, on the Malabar Coaſt. No average of three years could be here reſorted to; and, beſides, the revenues of the ceded countries were not, as yet, within 120,000l. of what they had been given out to be worth by Tippoo Sultan.

It was, however, to be recollected that theſe provinces had not long emerged from the calamities of war, and, of courſe, could not be ſuppoſed to yield the full extent of their real revenues. In the courſe, however, of three years, the amount of theſe revenues had progreſſively increaſed. In the firſt year the amount had been about four, in the ſecond eleven, and the third was eſtimated at ſeventeen lacks of rupees; and, therefore, it might be inferred, that if a ſimilar ſyſtem with that of Bengal ſhould be introduced in theſe valuable acquiſitions, the effect would be an increaſe of revenue.

Having made theſe remarks on the probable proſpects, from the foreign revenues of the Company, Mr. Dundas adverted to the increaſe of their ſales at home in the laſt year, a period when the foreign markets of Europe were ſhut againſt them.—Upon this ſubject, he therefore preſumed to think, that there was reaſon to hope, as ſoon as the return of peace ſhould open theſe markets, that the amount of the ſales would be proportionably greater. So far from wiſhing to conſider the trade from India to reſt upon the narrow baſis of a monopoly, he had no objection to all the nations of the world trading to the Britiſh poſſeſſions in the Eaſt, *upon their own capitals*.—Great Britain conſidered itſelf as Sovereign of its Indian poſſeſſions, as well as a commercial country, and would be ready to promote, whatever tended to advance the proſperity of its Indian ſubjects.—At the ſame time, it would prevent foreigners from trading on *Britiſh capitals*, or deriving benefits from the revenues of the provinces, which it had entruſted to the Adminiſtration of the Eaſt India Company.

Upon theſe grounds Mr. Dundas conſidered the affairs of the Eaſt-India Company, as likely to continue in a progreſſive ſtate of proſperity.

After

After ſtating theſe circumſtances and referring to the preſent ſurplus of the Company, as ſpecified in the reſults of the accounts before the Houſe, he adverted to the contingencies which muſt abridge that ſurplus in ſubſequent years.

It muſt in a conſiderable degree be leſs from the proviſion which would be required, in order to do juſtice to the claims of their meritorious armies.

Before our acquiſition of territories, the Company's forces in India conſiſted only of the requiſite guards for their factories or ſeats of trade; they had now, not only a greater military force to keep in conſtant pay than was required on ordinary occaſions for Britain and its other dependencies, but an eſtabliſhment equal to many of the military powers in Europe; it was, indeed, without ſuch an army, as impoſſible to protect the provinces, and the large commercial concerns of the Company, as to make that army efficient, without regulations in every degree applicable to the duties required from it.

There were certain *general grounds* upon which it would be requiſite to reſt the arrangements for the Company's forces in India.

In the firſt place, the Company at preſent gave no higher rank to their oldeſt officers than that of *Colonel*, a circumſtance which deprived their moſt experienced and meritorious officers of that promotion, to which military men look forward as their beſt and moſt honourable reward, and therefore, he would propoſe, "That a certain proportion of Ge-"neral and Field Officers ſhould be allowed to "each of the military eſtabliſhments in India," a regulation which would produce a general promotion in the ſubordinate ranks of their army.

In the next place, under the preſent regulation, an officer who may have ſerved thirty years in India, and yet who, during this dreary ſervice, may

not have acquired a competency to enable him to return to his friends and his country, muſt reſign his rank and his pay, or remain in exile.—He would therefore propoſe, "that a comfortable and ho- "nourable retreat, ſhould, after a certain number "of years ſervice, be afforded to them." This proviſion alſo would have its effect of accelerating promotion in the army.

In the laſt place, many of the officers who went at an early period of life to India, experienced, from the difference of climate, the loſs of health; but under the preſent regulation, by returning to Europe, they had no other reſource, except in the feelings and charity of their friends, without which they muſt remain in India, and fall victims to the diſeaſes of the climate: he would, therefore, propoſe, "that under medical certificates, with the "approbation of the commanders in chief, and the "governments in India, officers, the recovery of "whoſe health might require it, ſhould be per- "mitted to return to Europe, without loſs either of "rank or pay." Nor would he limit this princi- ple to the neceſſity ariſing from want of health only, for he would propoſe (as he held it to be politic, as well as reaſonable) "that a certain pro- "portion of the officers, in rotation, ſhould be "allowed to re-viſit their native country upon "furloughs, without the loſs either of rank or "pay."

Theſe principles appeared to him to be the ge- neral ground upon which the new arrangements for the Indian army ſhould proceed, and he would ſuggeſt a plan for theſe purpoſes to the Company, who, he was perſuaded, would feel the propriety of eſtabliſhing a liberal arrangement for their armies, whoſe ſervices they, and their country, were as ready to acknowledge as to reward.

Mr.

Mr. Dundas concluded by moving his firſt reſolution.

Mr. Huſſey ſaid, that he did not ſee in the papers on the table a ſtatement of any debt due to Government.

Mr. Secretary Dundas replied, that the Eaſt India Company contended that no debt was due.

Mr. Huſſey ſaid, he had always doubted whether the affairs of the Company were in ſo flouriſhing a ſituation as they were repreſented, both from their want of an increaſe of capital, and from the circumſtance of their continually borrowing money. In the accounts of the year 1781, which he held in his hand, he ſaw that the balance was ſtated to be nearly the ſame as that of the preſent year; the difference was only a ſum of 42,000l. leſs, with reſpect to the preſent year. In 1781, the capital was only 2,800,000l. it had ſince received an addition of upwards of 4,000,000l. He wiſhed, then, to be ſhewn where was the increaſe of proſperity on the part of the Company?

The Chancellor of the Exchequer ſtated, that at the period to which the Honourable Gentleman alluded, the accounts of the Company were very much diſputed; they were then involved in obſcurity and embarraſſment; it was only ſince the ſyſtem of regularity, which had within theſe few years been introduced by his Right Honourable Friend, that they could be relied on in point of accuracy.—The fair way then, in order to aſcertain their comparative improvement, was to take ſome years ſince the commencement of that ſyſtem adopted by his Right Honourable Friend, and view it with a reference to the ſubſequent years. In 1781 the expenſes of the war were ſtill going on. It had not been practicable till after repeated orders ſent to India to obtain the proper returns of thoſe expenſes.

It

It had been found neceſſary, that debts ſtated to be due to the Company ſhould be ſtruck off; and likewiſe it had been diſcovered, that there were millions owing by them, of which nothing had been known. If, therefore, for ſome years there had been no appearance of improvement in the ſtate of the Company's finances, it was not becauſe there was no real improvement, but becauſe his Right Honourable Friend had during thoſe years been engaged in winding up the old accounts. He mentioned 1786 as the firſt year from which the new ſyſtem began to operate.

Mr. Huſſey ſaid, he had referred to the year 1781, not from any principle of ſelection, but merely becauſe the accounts of that year happened to be in his poſſeſſion.

General Smith expreſſed his ſatisfaction at the order which the Right Hon. Secretary had introduced into his annual ſtatement of the affairs of the Eaſt India Company. Having introduced this practice, he wiſhed he would carry it farther, and appoint a ſeparate day for the diſcuſſion of his ſtatement, as in the caſe of the Budget of the Chancellor of the Exchequer, when the Houſe might be prepared to go into the detail of the buſineſs, and, if neceſſary, to urge their objections. So far from there being any proſpect of a diminution of the proſperity of the Company, he thought that the reverſe was likely to be the caſe. He ſhould confine himſelf to the laſt head of the ſpeech of the Right Honourable Secretary. He was glad to find the caſe of the officers in India at laſt likely to be taken up. He could not tell how many applications had been made to him on the ſubject. He ſhould now read a letter from the Secretary of the India-Houſe to one of the oldeſt officers in the ſervice of the Company. The letter was an application to know, whether

whether the officers would be paid their arrears, and whether ſuch of them as were ſick and wounded would be allowed a paſſage? The anſwer ſtated, that the Directors could not comply with the requeſt, but that they were ready to take into conſideration the caſe of any individual officer. Men could not be ſo treated without feeling moſt ſeverely. But he ſhould preſs the ſubject no further, relying on the promiſe of the Right Hon. Gentleman, that ſome ſteps would be taken before the ſailing of the next ſhips for India. He truſted that the ſituation of the officers who had come home would not be overlooked, and that ſomething would be done to reſcue them from the dependence and poverty under which they now laboured. Their caſe was ſo diſgraceful to the country that he wondered how it could at all have been ſuffered to exiſt.

Mr. D. Scott deſired the honourable gentleman to read over the three laſt lines of the letter from the ſecretary of the India Houſe.

General Smith remarked, that he did not mean any reflection on the Court of Directors; they could not act otherwiſe till a new ſyſtem was adopted.

Mr. D. Scott ſaid, he wiſhed to do away any unfavourable impreſſion that the peruſal of the letter might have excited on the minds of the Committee with reſpect to the conduct of the Court of Directors. He challenged the Honourable General to produce any one inſtance where an officer who had made application to the Court had been neglected. He ſtated, that the effect of the new arrangements had firſt taken place in 1786; before that period, it had not been known within a ſum of three millions to what amount, and ſince, that the revenues of the Company had been increaſed two millions annually.

Mr.

Mr. Huſſey ſaid, that the public had not teas at the prices for which the Company had bargained to ſupply them.

Mr. D. Scott replied, that the Company were obliged to put up their teas at a certain price: if the public paid for them more than they were worth, it was their own fault.

Mr. Luſhington enforced the claims and the ſufferings of the officers in the ſervice of the Eaſt India Company. He felt himſelf particularly intereſted in the ſubject, as many of them had been induced to come to this country in conſequence of a motion which he had ſome time ſince made on their behalf. He recapitulated the leading points of the ſpeech of the Right Hon. Secretary of State, and highly commended the clear and convincing manner in which they were ſtated.

Colonel Wood alſo ſupported the claims of the officers, and wiſhed to have ſome ſpecific engagement from one of the Directors on their behalf.

Sir Francis Baring, alluding to what had fallen from General Smith, ſaid, it was the firſt time he had heard any attack on the Court of Directors, for their conduct to the officers of the Company. Every ſervice had its different rules; the officers in the King's ſervice had their advantages, as had likewiſe thoſe in the ſervice of the Company. A colonel had a yearly income of 10,000l.—he did not know what might be the pay of a general. The Honourable General had ſurely himſelf no reaſon to complain.

General Smith expreſſed himſelf ſurpriſed at the treatment which he had juſt received from his old friend. He had made no attack on the Court of Directors; he had only found fault with the ſyſtem which prevailed with reſpect to the officers. What had juſt dropped from his honourable friend he muſt

 ſuppoſe

ſuppoſe, either to be the effect of temporary heat, or a piece of good-humoured raillery; but, as it ſeemed to convey a perſonal inſinuation, he defied any one to find a ſingle action to blame in the whole courſe of his life; and referred to the teſtimony which had been given to his conduct by the vote of thanks which had been paſſed for his ſervices to the Company.

Sir Francis Baring explained that he meant no perſonal alluſion.

After a few deſultory remarks from Mr. Huſſey and Mr. Dundas, the reſolutions were ſucceſſively put and carried.

The Houſe was then reſumed, and the report ordered to be received to-morrow.—Adjourned.

Report on Eaſt India Company's revenue accounts.

Mr. Joddrell (according to order) reported from the committee of the whole Houſe, to whom it was referred to conſider of the ſeveral accounts and papers, which were preſented to the Houſe, upon the 17th day of April, and the 8th day of May laſt, by Mr. Owen (from the Directors of the Eaſt India Company) the reſolutions which the committee had directed him to report to the Houſe; which he read in his place, and afterwards delivered in at the table, where the ſame were read, and agreed to by the Houſe, and are as followeth, viz.

1. That it appears, that the annual revenues of the Eaſt India Company, in the provinces of Bengal, Bahar, and Oriſſa, and from Benares and Oude, under the heads of mint or coinage duties, poſt office collections, Benares revenue, Oude ſubſidy, land revenues, cuſtoms, and the receipts from the ſales of ſalt and opium, amounted, on the average

of three years, 1791-2 to 1793-4, both inclusive, to the sum of five crore forty-two lacks fifty-three thousand one hundred and seventy-one current rupees.

2. That it appears, that the annual revenues of the East India Company, in the provinces of Bengal, Bahar, and Orissa, and from Benares and Oude, under the same heads, which were estimated, for the year 1793-4, to amount to five crore forty-three lacks twenty-seven thousand six hundred seventy-six current rupees, amounted to five crore eighty-seven lacks nineteen thousand four hundred and sixty current rupees.

3. That it appears, that the charges incurred by the East India Company, in the provinces of Bengal, Bahar, and Orissa, and in Benares and Oude, under the heads of civil, judicial, military, and marine, the charges of buildings and fortifications, of collecting the revenues and customs, and the advances and charges on account of salt and opium, which were estimated, for the year 1793-4, at three crore twenty-three lacks eighty-three thousand four hundred and fifty-eight current rupees, amounted to three crore thirty-three lacks nineteen thousand seven hundred and seventy-eight current rupees.

4. That it appears, that the annual revenues of the East India Company, in the provinces of Bengal, Bahar, and Orissa, and from Benares and Oude, under the heads of mint or coinage duties, post office collections, Benares revenue, Oude subsidy, land revenues, customs, and the receipts from the sales of salt and opium, for the year 1794-5, are estimated, by the governor-general and council, to amount to the sum of five crore fifty-eight lacks six thousand and sixty-eight current rupees.

5. That it appears, that the charges to be defrayed by the East India Company, in the provinces of Ben-

gal, Bahar, and Oriſſa, and in Benares and Oude, under the heads of civil, judicial, military, and marine, the charges of buildings and fortifications, of collecting the revenues and cuſtoms, and the advances and charges on account of ſalt and opium, for the year 1794-5, are eſtimated, by the governor-general and council, to amount to the ſum of three crore twenty-ſeven lacks eighty-ſix thouſand three hundred and forty-five current rupees.

6. That it appears, that the annual revenues of the Eaſt India Company, at the preſidency of Fort St. George, and the ſettlements ſubordinate thereto, and in the Carnatic and Northern Circars, under the heads of mint or coinage duties, poſt office collections, ſea and land cuſtoms, ſubſidies from the Nabob of Arcot, the Rajah of Tanjore, and the Nizam, land revenues, and farms and licences, which (excluſive of the ſums to be received from Tippoo Sultan) were eſtimated, for the year 1793-4, to amount to forty-five lacks ſeventy-five thouſand ſix hundred and forty pagodas, amounted to forty-two lacks ſeventy thouſand ſix hundred and fifty-ſeven pagodas.

7. That it appears, that the charges incurred by the Eaſt India Company, at the preſidency of Fort St. George, and the ſettlements ſubordinate thereto, and in the Carnatic and Northern Circars, under the reſpective heads of poſt office, civil, military, and revenue charges, and for buildings and fortifications, which were eſtimated, for the year 1793-4, to amount to forty-two lacks fifty-three thouſand two hundred and forty-four pagodas, amounted to forty-nine lacks ninety-eight thouſand four hundred and thirty-nine pagodas.

8. That it appears, that the annual revenues of the Eaſt India Company at the preſidency of Fort St. George, and the ſettlements ſubordinate thereto,

and in the Carnatic and Northern Circars, under the heads aforeſaid, for the year 1794-5, are eſtimated, by the governor and council of Madras, to amount to forty-ſix lacks thirty-eight thouſand two hundred and ninety-three.

9. That it appears, that the annual charges to be defrayed by the Eaſt India Company, at the preſidency of Fort St. George, and in the Carnatic and Northern Circars, under the reſpective heads aforeſaid, in the year 1794-5, are eſtimated, by the governor and council at Madras, to amount to the ſum of forty-four lacks fifty-five thouſand ſix hundred and ſeventeen pagodas.

10. That it appears, that the annual revenues of the Eaſt India Company, at the preſidency of Bombay, and the ſettlements ſubordinate thereto, which were eſtimated, for the year 1793-4, to amount to twenty-four lacks ſeventy thouſand two hundred and two rupees, amounted to twenty-ſeven lacks ſeventy-ſix thouſand five hundred and ſixty-ſeven rupees.

11. That it appears, that the charges incurred by the Eaſt India Company, at the preſidency of Bombay, and the ſettlements ſubordinate thereto, which were eſtimated, for the year 1793-4, to amount to ſixty-one lacks eighty-ſeven thouſand nine hundred and four rupees, amounted to ſixty-nine lacks ſixty-ſeven thouſand and thirty-eight rupees.

12. That it appears, that the annual revenues of the Eaſt India Company, at the preſidency of Bombay, and the ſettlements ſubordinate thereto, for the year 1794-5, are eſtimated by the governor and council of Bombay, to amount to thirty-one lacks fifty-four thouſand five hundred and eighteen rupees.

13. That it appears, that the annual charges to be defrayed by the Eaſt India Company, at the preſidency

ſidency of Bombay, and the ſettlements ſubordinate thereto, in the year 1794-5, are eſtimated at ſixty-ſeven lacks thirty-three thouſand ſeven hundred and ninety-one rupees.

14. That it appears, that the annual revenues of the Eaſt India Company at the reſidency of Fort Marlborough, and its dependencies, ariſing from cuſtoms, farms, and licences, amounted, on an average of three years, from 1790-1 to 1792-3, both incluſive, to nineteen thouſand three hundred and ſixty-two dollars.

15. That it appears, that the debts owing by the Eaſt India Company, at the ſeveral ſettlements in India, amounted, according to the lateſt advices, to the ſum of ſeven crore thirty lacks fifty-four thouſand ſix hundred and nineteen rupees.

16. That it appears, that the part of the aforeſaid debts, bearing intereſt, amounted to five crore fifty-nine lacks ſeventy-two thouſand nine hundred and ninety-four current rupees, and that the intereſt thereon amounted to forty-three lacks ſeventy thouſand four hundred and ſixty-nine current rupees.

17. That it appears, that the value of aſſets in India, conſiſting of caſh in the treaſuries, of bills receivable, of goods provided to be ſhipped for England, of goods imported to be ſold in India, of ſalt, opium, &c. and of ſtores for uſe, or ſale, amounted, according to the lateſt advices (including current rupees, four crore ſeventy-nine lacks ninety-ſix thouſand ſix hundred and twelve, of debts ſtated to be owing to the Company there) to eight crore eighty lacks ſeventy-ſix thouſand and nine current rupees.

18. That it appears, that the balance of ſtock, in favour of the Eaſt India Company's commerce in China, amounted, according to the lateſt advices,

to

to the ſum of nine hundred and thirty-nine thouſand and forty pounds.

19. That it appears, that the effects of the Eaſt India Company in England, and afloat outward, conſiſting of annuities, caſh in the treaſury, goods ſold not paid for, goods unſold, cargoes afloat, and other articles in their commerce, amounted, on the 1ſt of March 1795, to the ſum of ten millions four hundred and thirteen thouſand three hundred and fifty-four pounds.

20. That it appears, that the ſales of the Eaſt India Company's goods, which, in February 1793, were eſtimated, on an average, to amount to four millions nine hundred and eighty-eight thouſand one hundred and twenty-ſeven pounds, amounted, in the year 1794-5, to the ſum of five millions five hundred and twenty-one thouſand eight hundred and fifty-eight pounds.

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